

A G E N D A



Recommendation for Council Action

Austin City Council		Item ID	41282	Agenda Number	2.
Meeting Date:	3/5/2015			Department:	Austin Energy
Subject					
Authorize negotiation and execution of an agreement with Hops and Grain, LLC to provide a performance-based incentive for the generation of solar energy at its facility located at 507 Calles St. for an estimated \$9,208 per year, for a total amount not to exceed \$92,080 over a 10-year period.					
Amount and Source of Funding					
Funding in the amount of \$9,208 is included in the Fiscal Year 2014-2015 Operating Budget of Austin Energy.					
Fiscal Note					
There is no unanticipated fiscal impact. A fiscal note is not required.					
Purchasing Language:					
Prior Council Action:					
For More Information:	Jeff Vice, Director, Local Government Issues (512) 322-6087; Danielle Murray, Solar Program Manager (512) 322-6055.				
Boards and Commission Action:	February 17, 2015 - Approved by the Resource Management Commission on a vote of 7-0. February 23, 2015 - Approved by the Electric Utility Commission on a vote of 5-0 with Commissioners Meijer and Rai absent.				
MBE / WBE:					
Related Items:					

Additional Backup Information

Austin Energy requests authorization to enter into an agreement with Hops and Grain, LLC, to provide a performance-based incentive (PBI) for an estimated \$9,208 per year, for a total amount not to exceed \$92,080 over the 10-year period for the generation of solar energy at its craft brewery facility located at 507 Calles St., Austin, Texas 78702. This facility is located in District 3.

Austin Energy's solar program offers commercial customers incentive payments based on the metered solar production of their approved system for the first 10 years of operation. The payments are made as a monthly billing adjustment to the customer's account. The program was launched in 2010, replacing the upfront solar rebate for commercial customers.

The PBI level for this project is \$0.09 per kilowatt hour (kWh) for 10 years. The total installation cost is \$220,000 and the incentive will cover between 36% and 42% of the total cost. The solar equipment, which meets Austin Energy program requirements, includes a total of 242 solar modules rated at 255 watts and associated inverters rated at 97.5% efficiency. A total of 48 kW-AC in demand savings is expected.

This energy improvement will save an estimated 88,965 kWh per year—enough to provide electricity to eight average Austin homes for a year. These savings are equivalent to the planting of 1,372 trees or 69 acres of forest in Austin's parks or the removal of 119,941 vehicle miles or 10 cars from Austin roadways. This project will save 59 tons of Carbon Dioxide (CO₂); 74 pounds of Sulfur Dioxide (SO₂); 82 pounds of Nitrogen Oxide (NOX); and 57 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere each year, and 40,034 gallons of water from being used at a power plant.